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25 August 1957

MEMORANDUM FOR: Acting Director of Central Intelligence

SUBJECT: NSC 43-2-57: PROSPECTS OF THE GOVERNMENT OF THE
REPUBLIC OF CHINA

BACKGROUND

1. This estimate was prepared pursuant to FAC-DB-1/23, 2 July 1957. It supersedes NSC 43-56, of 9 October 1956. At the request of the Planning Board, the completion date of the present estimate was advanced to 27 August 1957.

DISCUSSION

2. There are no dissents from the text. However, throughout the estimate State pressed for a more optimistic tone. This was especially marked in two areas: (a) the prospects for morale on Taiwan in the event that present Nationalist objectives and policies continue; and (b) the economic prospects for Taiwan in the event that Nationalist leadership becomes renounced to a future Taiwan and changes its objectives and policies accordingly.

3. At the Representatives' final meeting, however, the State representative brought the present text. We do not anticipate that any issues will be raised at the LAC, although it is possible that State may raise the question of general tone.

FOR THE BOARD OF NATIONAL ESTIMATES:

HAROLD R. BULL
Acting Chairman
Board of National Estimates

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